

**UNITED STATES DISTRICT COURT**  
**DISTRICT OF NEVADA**

Safeco Insurance Company of America,

Case No.: 2:20-cv-01579-JAD-NJK

Plaintiff

**Order Denying Motion to Bifurcate**

v.

[ECF No. 137]

Air Vent, Inc., et al.,

Defendants

and all other parties and claims

This case arises from Safeco Insurance Company of America’s attempt to recoup money that it paid its insured to cover home damage caused by a fan manufactured by Air Vent, Inc.<sup>1</sup> Air Vent filed a third-party complaint against component-part manufacturers and distributors Powermax Electric Company; Chien Luen Industries Company; and King of Fans, Inc., alleging that these third-party defendants are jointly and vicariously liable if the fan is found to be defective.<sup>2</sup> I granted summary judgment on the liability issues as to Safeco’s claims against Air Vent, leaving the issues of damages and Air Vent’s third-party claims for trial.<sup>3</sup>

Safeco now moves to bifurcate those remaining issues, arguing that “[t]he issue of damages can be determined independently of Air Vent’s third-party claim against Powermax and King of Fans.”<sup>4</sup> It contends that, while its “claim is ready to proceed at trial,” discovery was recently reopened on the third-party claims, and it “has no role” in that discovery, so “there is no

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<sup>1</sup> ECF No. 1.

<sup>2</sup> ECF No. 14.

<sup>3</sup> ECF No. 92 at 13–14.

<sup>4</sup> ECF No. 137 at 4.

1 need to delay the damages phase of the trial while third-party litigants continue to conduct  
2 discovery.”<sup>5</sup>

3 Federal Rule of Civil Procedure 42(b) authorizes courts to order a separate trial for any  
4 claim when separation is in the interest of judicial economy, will further the parties’  
5 convenience, or will prevent undue prejudice.<sup>6</sup> Bifurcation is appropriate to, for example, “avoid  
6 a difficult question by first dealing with an easier, dispositive issue or to avoid the risk of  
7 prejudice.”<sup>7</sup> District courts have broad discretion over whether to bifurcate issues for trial.<sup>8</sup>

8 Applying those principles, I find that splitting the remaining issues is not appropriate  
9 here. As the defendants argue,<sup>9</sup> bifurcation would result in “two separate trials involving the  
10 same parties [and] witnesses, and many of the same issues.”<sup>10</sup> Indeed, damages would certainly  
11 be at issue in both trials, and Safeco’s witnesses may need to testify on liability and damages at  
12 the second trial<sup>11</sup>—mitigating any judicial-economy or convenience gains that bifurcation might  
13 achieve.<sup>12</sup> Also, as the defendants contend, trying the claims against Air Vent alone in a first  
14 trial would prejudice the third-party defendants, who would “not be able to assert a first-hand  
15 defense” as to the damages that they might ultimately have to repay.<sup>13</sup> And I find that mere  
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17 <sup>5</sup> *Id.* at 3–4.

18 <sup>6</sup> Fed. R. Civ. P. 42(b).

19 <sup>7</sup> *Est. of Diaz v. City of Anaheim*, 840 F.3d 592, 603 (9th Cir. 2016) (internal citation omitted).

20 <sup>8</sup> *Hangarter v. Provident Life & Acc. Ins. Co.*, 373 F.3d 998, 1021 (9th Cir. 2004).

21 <sup>9</sup> Third-party defendant King of Fans filed the principal response, and defendant and third-party  
22 plaintiff Air Vent and third-party defendant Powermax joined that response. ECF No. 138; ECF  
23 No. 139; ECF No. 140. I refer to all three as defendants for purposes of this order.

<sup>10</sup> ECF No. 138 at 2.

<sup>11</sup> *Id.* at 2–4.


<sup>12</sup> ECF No. 141 at 2–4.

<sup>13</sup> *Id.* at 6.

1 inconvenience to Safeco in the form of delay does not outweigh that potential prejudice.<sup>14</sup> So I  
2 find that bifurcation isn't justified here and deny Safeco's motion.

3 **Conclusion**

4 IT IS THEREFORE ORDERED that Safeco's motion to bifurcate [ECF No. 137] is  
5 **DENIED.**

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8 U.S. District Judge Jennifer A. Dorsey  
9 June 12, 2023  
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<sup>14</sup> ECF No. 141 at 3–4.